

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

IN RE:

PETITION OF UNITED CITIES GAS
COMPANY FOR APPROVAL OF A
TRANSPORTATION GAS SERVICE
AGREEMENT WITH SUPERIOR
INDUSTRIES INTERNATIONAL, INC.

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00-01022

**PETITION OF UNITED CITIES GAS COMPANY
FOR APPROVAL OF A TRANSPORTATION GAS SERVICE AGREEMENT WITH
SUPERIOR INDUSTRIES INTERNATIONAL, INC.**

United Cities Gas Company ("United Cities") hereby petitions the Tennessee Regulatory Authority ("TRA") for approval of a Transportation Gas Service Agreement with Superior Industries International, Inc. ("Superior Industries"). Attached as Exhibit A to this Petition is a signed letter of intent summarizing the key components of the proposed agreement with Superior Industries. As the information contained in this letter of intent constitutes highly sensitive, confidential trade secrets and competitive information that is protected under Tennessee law, United Cities has stamped this information "Confidential" and is submitting this information in a sealed envelope with the understanding that the envelope will be opened only by the directors of the TRA and the appropriate staff members of the TRA and the Consumer Advocate Division, and that the information will not be disseminated on the TRA website nor disclosed to any third party without prior written authorization from United Cities. United Cities also requests that the TRA directors and TRA and Consumer Advocate Division staff take appropriate precautions to prevent any unintended disclosure of this information to any person other than necessary personnel and staff of the TRA and Consumer Advocate Division. United

Exhibit A
on file

POSTED
11-13-00

Cities will provide a complete copy of the signed agreement with Superior Industries as soon as one is obtained.

In support of this Petition United Cities would show the following:

1. Recently, Superior Industries informed United Cities of its intent to install a pipeline connection from its Johnson City, Tennessee facilities to the East Tennessee Natural Gas Pipeline to bypass United Cities' distribution system and service its facilities directly from the East Tennessee Natural Gas Pipeline, which is located approximately one mile from Superior Industries.

2. In response to this notification by Superior Industries, United Cities obtained expense information from Superior Industries to evaluate the economic basis of its decision to bypass United Cities' distribution system. Upon review of the information and discussions with Superior Industries, United Cities determined that the proposed bypass was both an economically feasible and operationally viable option for Superior Industries.

3. After being advised by Superior Industries that it intended to immediately proceed with the proposed bypass, United Cities performed further financial analyses and negotiated a rate structure that would keep Superior Industries as a long term customer rather than continuing with its plan to install a bypass pipeline. The transportation rate detailed in the attached letter of intent represents the results of those negotiations.

4. Due to the fact Superior Industries was prepared to begin installation of the proposed bypass pipeline immediately, United Cities agreed to Superior Industries' demand that the negotiated rate become effective starting November 1, 2000, subject to TRA approval. Therefore, United Cities will be responsible for any financial losses caused by the lower negotiated rate pending TRA approval.

5. As authorized by United Cities' tariff, United Cities is seeking and is entitled to recover 90% of any margin loss to the company as a result of this negotiated rate with Superior Industries.

WHEREFORE, United Cities requests that the TRA grant the relief requested by this Petition.

Respectfully submitted,

BAKER, DONELSON,
BEARMAN & CALDWELL
A Professional Corporation

By: 

Joe A. Conner (BPR 12031)

Misty Smith Kelley (BPR 19450)

1800 Republic Centre

633 Chestnut Street

Chattanooga, TN 37450-1800

Telephone: (423) 756-2010

Fax: (423) 756-3447

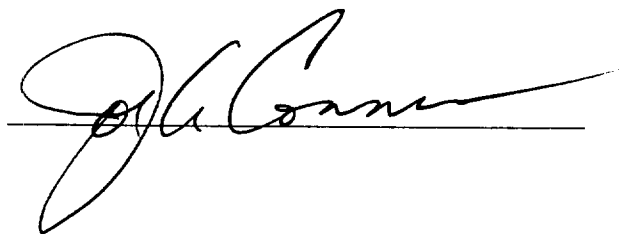
Attorneys for Petitioner United Cities
Gas Company

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been mailed, postage prepaid, to the following parties of record, this 10th day of November, 2000.

Richard Collier
General Counsel, Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Timothy C. Phillips
Office of Attorney General and Reporter
Consumer Advocate Division
Cordell Hull Building
465 5th Avenue North, 2nd Floor
Nashville, TN 37243

A handwritten signature in black ink, appearing to read "J. H. Connor", is written over a horizontal line.